

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Program 061

SPI - Learning Assistance Program

Recommendation Summary

Dollars in Thousands

	Annual FTEs General Fund State	Other Funds	Total Funds
2005-07 Expenditure Authority	130,801	367,832	498,633
Supplemental Changes			
Pension Plan 1 Unfunded Liability		553	553
Pension Rate Correction	89		89
Enrollment/Workload Adjustment, SPI	(1,607)		(1,607)
Federal Funding Adjustment		5,124	5,124
K-12 Inflation	229		229
Subtotal - Supplemental Changes	(1,289)	5,677	4,388
Total Proposed Budget	129,512	373,509	503,021
Difference	(1,289)	5,677	4,388
Percent Change	(1.0)%	1.5%	0.9%

SUPPLEMENTAL CHANGES

Pension Rate Correction

The pension rates used to calculate state funding for basic education programs in the original biennial budget were incorrect. The correction results in an increase in state funding for the 2005-06 school year and a decrease in state funding for the 2006-07 school year.

Enrollment/Workload Adjustment, SPI

The Learning Assistance Program (LAP) provides funds to school districts based on the percentage of students who receive free and reduced price lunch (FRPL). The percentage of students receiving FRPL has decreased, resulting in a decrease in allocations to districts.

Federal Funding Adjustment

The Superintendent of Public Instruction has submitted revised estimates of federal grants and allocations for education programs. (General Fund-Federal)

K-12 Inflation

Inflation adjustments for non-employee related costs are provided in the budget for K-12 basic education programs. The inflation forecast for Fiscal Year 2006 has changed from 2.0 percent to 3.1 percent and for Fiscal Year 2007 from 1.4 percent to 2.1 percent. The inflation adjustment is not changed once the school year has started, so no changes are made for the 2005-06 school year. A budget adjustment is made for the 2006-07 school year, taking into account the higher inflation in the current year and the coming year. This adjustment results in a budget inflation rate of 4.7 percent for the 2006-07 school year.